

THE GOVERNMENT WANTS TO DESTROY THE FORMULA WHICH HAS MADE ARUBA'S TOURISM INDUSTRY SO SUCCESSFUL

The Government wants to totally change the way existing hotels operate

The Government of Aruba is asking Parliament to pass a law which will tightly regulate the way our hotels operate. The Minister of Tourism wants to have personal control over how existing hotels can sell their rooms.

Aruba's success has been built on quickly responding to and meeting the needs of our customers

The world is constantly changing. Aruba has to keep up with these changes. More and more of our visitors are asking for some form of all-inclusive package. More hotel chains are building high-end, upscale, five star all-inclusive resorts. More and more of our competitors are adding this product line. We cannot be left behind.

Restricting all-inclusive packages will not result in more traditional visitors, it will result in empty rooms

Aruba has more than enough traditional hotel rooms, the only thing that will happen by banning an increase in the number of rooms to be sold as all-inclusive is that those guests who wanted all-inclusive will just go somewhere else in the Caribbean and the traditional room will remain unsold.



We want to diversify our source markets, the trouble is those markets want all-inclusive packages

It is well known that the ATA has been charged by the Minister of Tourism to diversify Aruba's source markets, that is the ATA must attract more visitors from Canada, from Europe and from South America. But those markets all want all-inclusive product. You can't have it both ways.

The real issue is that so much power will be concentrated into one Minister's hands

The proposed law calls for the Minister of Tourism alone to decide how each hotel is to operate and market themselves by limiting existing traditional hotels to selling no more than 20% of their rooms on an all-inclusive basis. The main concern is that as the marketplace evolves it is highly likely that many traditional hotels will find that if they cannot offer an all-inclusive option when necessary those rooms will remain empty as potential guests choose another destination where such an option is available.

If this law is passed some hotels will have to close their restaurants

The Minister of Tourism has already told one hotel that should this legislation pass then it is inevitable that it will have to close many of its restaurants leading to the dismissal of a substantial number of employees.

What will the Government want to control next?

Should this legislation pass then what sector of our business community will the Government target next? Will restaurants be told what meals they can sell? Will retailers be told what goods they can sell? Will manufacturers be told what goods they can make? Where will it stop?

Where is the evidence that all-inclusive resorts are bad for the economy?

We acknowledge that concerns have been expressed that the growth in all-inclusive hotels have allegedly had a negative impact on local restaurants and local retailers. But where is the evidence for this?

Show us the PWC report which supposedly supports the proposed law

The Minister keeps referring to a PWC report which he says supports his position but he has yet to share this report with the industry. And if the restaurant sector is doing so badly how come in the last four years the Chamber of Commerce has registered more than 250 new restaurants to be opened in Aruba? The problem the restaurant sector has is not the all-inclusive hotels but that there are just far too many restaurants in Aruba. Why is the Minister not proposing to control this?

We are not Punta Cana, we are not Jamaica

Here in Aruba it is well known that many visitors who stay in our all-inclusive resorts go out to local restaurants to eat because they are just across the road, and these guests visit local stores and take local tours at a rate equal to or higher than visitors to traditional hotels.

The issue requires further study

Just like Raad Van Advies said about this proposed law, it needs much more study because the basic information is just not there.

The owners of the hotels will substantially reduce their investments

The owners of the hotels have expressed great concern of the impact of this proposed law on the long term viability of their businesses. Many have already indicated that should this legislation pass they will cut back on investment in their hotels because of the uncertainty created by the Minister's interference in the day to day operations of their hotel.

The Minister of Tourism can take a license away after a hotel has been in business for 20 years

The owners are particularly concerned that according to the proposed legislation the Minister of Tourism can take an all-inclusive hotel license away after 20 years if there is another player interested in offering all-inclusive packages, despite the fact that the existing all-inclusive hotel in question will have invested for years in their property. The uncertainty alone will cause severe unrest amongst the workers. Taking a license away comes with an enormous cost and will include lay-offs of many employees. Licenses for traditional hotels offering all inclusive packages can also be taken away if the Minister decides they have not conformed to his regulations.

Aruba's real problem is the dramatic rise in the number of visitors staying in apartments, private homes and condominiums

Many of our hotels have suffered from loss of business as their guests have switched to using private homes, apartments and condominiums when they stay in Aruba. Fully one third of the visitors to Aruba last year stayed in a private home, apartment or condominium, up from 15% five years ago. This is the problem which the government needs to address. Meanwhile only 14% of our visitors in 2015 stayed in an all-inclusive resort in 2015, down from 16% in 2011.

How is it that an all-inclusive resort is OK in San Nicolas but not OK elsewhere in Aruba?

We are totally confused about this. At the end of 2014 the Minister of Tourism proudly announced that he had facilitated the proposed development of a 900 room all-inclusive property in San Nicolas. How is it that what is good for San Nicolas cannot be good for the rest of Aruba?

We have no issue with the idea of a cap on the amount of all inclusive packages to be offered by new hotels but please don't interfere with the day to day operations of existing hotels

AHATA has no quarrels with some kind of cap or limitation being placed on the amount of all inclusive packages that can be sold by new hotels, by projects or hotels in the making, by new hotel permits or by all recently issued "vestigingsvergunningen". But AHATA will not, and cannot, accept limitations or modifications of operating permits already established.